

This Addendum is entered into this _____ day of _____, 2006, by and between the Adams County Commissioners representing Adams County Assessor and Trustee Assessors, hereinafter referred to as the "Assessors" and Appraisal Research Corporation, an Ohio Corporation with offices in Greensburg, Indiana, licensed to do business in Indiana, hereinafter referred to as "ARC".

RECITALS

- A. The Assessors and ARC have entered into an original contract dated 3/31/03 for New Construction, and subsequently amended this contract to include additional technical services and annual Trending services.
- B. The Assessors have determined they should continue to employ ARC as a technical advisor pursuant to the provisions of IC 6-1.1-4-17 for the purpose of New Construction, annual Trending as required by IC 6-1.1-4-4.5 and 50 IAC 21, and other technical services as may be required when requested by the Assessors.
- C. The Assessors wish to continue to contract with ARC, and ARC is willing to be contracted by the Assessors.
- D. ARC is a Professional Appraiser as the term is defined in IC 6-1.1-4-17(c) and IC 6-1.1-31.7.
- E. ARC will comply with the provisions of 50 IAC 15 in the performance of services herein.
- F. The Assessors have by majority vote, taken in accordance with the procedures recommended by the Department of Local Government Finance (hereinafter referred to as the "Department") for the application of IC 6-1.1-4-17, determined to enter into this Addendum.

AGREEMENT

In consideration of the premises, mutual covenants and obligations of the parties, the Assessors and ARC agree as follows:

1. Incorporation of Recitals

The foregoing recitals are adopted by the parties as being true and accurate statements, and are hereby incorporated as binding representations of this Agreement.

2. Duties of ARC.

- (a) ARC shall provide technical assistance to the Assessors in connection with New Construction and the determination of annual adjustments to real property in Adams County for the assessment year of 2007, as requested and assigned by the authorized designate of the Assessors, under the terms and provisions of this Addendum (and the original Contract), in accordance with and furtherance of all rules governing New Construction, Trending and the assessment of real property promulgated by the Department, and all other applicable laws, statutes, ordinances, or administrative rules.
- (b) New Construction services shall continue to be performed according the provisions of Article III of the original contract.
- (c) ARC will complete all responsibilities of the Assessors created under IC 6-1.1-4-4.5 and 50 IAC 21 regarding Trending and the completion of required ratio studies, including:
 - (1) Perform ratio studies using the methods or combination of methods acceptable under the Standard on Ratio Studies published by the International Association of Assessing Officers (IAAO) or other acceptable appraisal methods approved by the Department.
 - (2) Use a valuation date of January 1 of the year preceding the year of the assessment date.
 - (3) Use verified sales of properties occurring within two (2) calendar years preceding the relevant valuation date in performance of the ratio studies.
 - a. Sales occurring before or after the assessment date shall be trended, if appropriate, in accordance with the IAAO standard and the time adjusted sales price shall become the basis for all ensuing analysis.
 - b. If available sales data is insufficient to satisfy the IAAO standard, ARC may use sales from earlier or more recent time periods, or both, by adjusting and time trending the sales data as described in the IAAO standard.
 - c. If ARC determines there are insufficient commercial and/or industrial improved property sales in order to determine an annual adjustment factor, ARC shall review one (1) or more of the following to derive an annual adjustment factor:

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- i. Marshall and Swift cost and depreciation tables from the first quarter of the calendar year preceding the assessment date.
 - ii. Income data, rental data, market value appraisals, and other relevant evidence derived from appeals of the most recent assessment date and adjusted, as applicable, to January 1 of the year preceding the assessment date.
 - iii. Commercial real estate reports.
 - iv. Governmental studies.
 - v. Census data.
 - vi. Multiple listing services (MLS) data.
 - vii. The independent study performed by the Indiana Fiscal Policy Institute.
 - viii. Other information or data to determine an annual adjustment factor.
- (4) Review all neighborhood delineations for the specified classes of property established for the most recent assessment date to determine if any adjustments or alterations are desirable.
 - (5) Review all land values for the specified classes of property established for the most recent assessment date to determine if any modifications are needed in order to promote uniform and equal assessments.
 - (6) Review ratio studies for each listed property class, and examine the coefficient of dispersion and price related differential to determine if an annual adjustment factor should be applied, and determine the appropriate annual adjustment factor if required.
 - (7) After any annual adjustment factor is applied, ARC shall complete an additional ratio study and provide the results of the ratio study to the Assessors in the manner and format specified in 50 IAC 14-5-1 through 50 IAC 14-5-3.
 - (8) ARC shall notify the Assessors (or primary contact person) if any ratio study reveals a coefficient of dispersion and/or price related differential that is outside the appropriate ranges set in 50 IAC 21-11-1 and recommend appropriate actions to address any identified irregularities in accordance with the procedures set forth in 50 IAC 21.
 - (9) Conduct any required stratifications and perform ratio studies for each strata until ARC determines the properties that are causing a coefficient of dispersion and/or price related differential that is outside of the acceptable range, and then make necessary refinements to the valuation for all similar situated properties.
 - (10) No later than fifteen (15) business days prior to October 1, ARC shall submit to the Assessors all parcel data in the specified formats as required by IC 6-1.1-4-25 to be utilized by the Department in accordance with IC 6-1.1-33.5-3.

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- (11) ARC will generate trending factor in a manner and format acceptable to the Department and the Legislative Services Agency.
- (d) All direct assessment activities shall be performed by a level two assessor-appraiser certified under IC 6-1.1-35.5.
- (e) ARC shall be responsible for making periodic reports to the Assessor. ARC shall provide written reports at the Assessor's request.
- (f) ARC shall be responsible for generating complete parcel characteristics and assessment data in a manner and format acceptable to the Legislative Services Agency and the Department.
- (g) ARC shall be responsible for adequately providing the creation and transmission of real property assessment data in the form required by the Legislative Services Agency and the Division of Data Analysis of the Department.

3. Responsibilities of the Assessors

- (a) Final determination of Assessed Value and True Cash Value is and shall remain the responsibility of the Assessors.
- (b) Assessors shall provide electronic reporting of complete and correct validated Sales Disclosures acceptable to the Department.
- (c) Remediation of Sales Disclosure issues is the responsibility of the Assessors, however, if requested, ARC shall perform at the "per diem" rate specified in the agreement.
- (d) Assessors shall flag Sales Disclosures that fall outside ratios specified by ARC.
- (e) Assessors shall provide access to all maps and parcel data as required by ARC.

4. Consideration

- (a) A fee of ten thousand dollars (\$10,000) for New Construction services and twenty-nine thousand five hundred dollars (\$29,500) for annual Trending in full payment for the complete performance of all duties, responsibilities and activities set forth in this Addendum. Work activity shall be billed as performed. Invoices shall be paid within thirty (30) days of receipt.
- (b) ARC shall provide five (5) person days of New Construction defense of values and five (5) person days of annual Trending defense of values. Any additional person days for Technical Service shall be charged at ARC's current prevailing rates.





communication line failures, power failures, earthquakes, and other similar disasters. In every case the delays must be beyond the control and without the fault or negligence of the non-performing party.

19. Maintaining a Drug-Free Workplace.

ARC hereby covenants and agrees to make a good faith effort to provide and maintain during the term of this agreement a drug-free workplace, and ARC shall give written notice to the Assessors within ten (10) days after receiving actual notice that an employee of ARC has been convicted of a criminal drug violation occurring in ARC's workplace. ARC further agrees that this Agreement is expressly subject to the terms, conditions and representations contained in the Drug-Free Workplace certification executed by ARC.

20. Confidential Nature of Appraisal Data

ARC shall assure that no individual on ARC's staff shall disclose any appraisal information to any individual, firm or corporation other than appropriate public officials and their authorized agents. Any data, which is to be released, shall be provided to the Assessors who shall provide for its release. However, the Department of Local Government Finance and the Legislative Services Agency shall have unrestricted access to ARC's work product under this agreement.

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IN WITNESS WHEREOF, the parties have executed this contract by their duly authorized officers.

ADAMS COUNTY, INDIANA

Douglas L. Bauman
Commissioner

Date: 1-2-07

Edwin E. Cook
Commissioner

Date: 1-2-07

Shirley L. Bauman
Commissioner

Date: 1-2-07

ATTESTED:

William A. Born
Auditor

Date: 1-02-2007

Judith E. Affolder
Assessor

Date: 1-2-07

APPRAISAL RESEARCH CORPORATION

Richard H. Hoffman
Richard H. Hoffman, ASA, CAE, MAI, CRE
President & CEO

Date: 14 DEC 2006

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